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EPIDEMIOLOGY, HEALTH STATISTICS,
& PUBLIC HEALTH LABORATORIES

Charity Care

Valley General
Hospital

Header Information

Policy	
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Policy

PURPOSE

Valley General Hospital is committed to the provision of health care services to all persons in need of medical attention regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of charity care, consistent with the requirements of the Washington Administrative Code, Chapter 246-453, are established, as set forth in Resolution No. 2004-04.

COMMUNICATIONS TO THE PUBLIC

Valley General Hospital's charity care policy shall be made publicly available through the following elements:

- A. A notice advising patients that the hospital provides charity care is posted in key areas of the hospital, including Admissions, the Emergency Department, Billing and Financial Services.
- B. The hospital concurrently distributes a written notice indicating the policy to patients at the time that the hospital requests information pertaining to third party coverage. This written information is also verbally explained at this time. If for some reason, for example in an emergency situation, the patient is not notified of the existence of charity care before receiving treatment, he/she is notified as soon as possible thereafter.
- C. Both the written information and the verbal explanation is available in any language spoken by more than ten percent of the population in the hospital's service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanation. The hospital finds that the following non-English translation(s) of this document is made available: Spanish.
- D. The hospital will train front-line staff to answer charity care questions effectively or direct such inquiries to the appropriate department in a timely manner.
- E. Written information about the hospital's Charity Care Policy is available to any person who requests the information, either by mail, by telephone or in person. The hospital's sliding fee schedule, if applicable, is available upon request.

ELIGIBILITY CRITERIA

Charity care is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g. auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.

Under this policy, qualifying patients will be granted charity care regardless of race, color, sex, religion, age, national origin, or immigration status.

In those situations where appropriate primary payment sources are not available, patients will be considered for charity care under this hospital policy based on the requirements of WAC246-453-040 and WAC 246-453-050, and the following criteria:

- The full amount of hospital charges will be determined to be charity care for a patient whose gross family income is at or below 100% of the current federal poverty level, (consistent with WAC246-453-050 (2) (b)).
- The following sliding fee schedule is used to determine the amount that shall be written off for patients with incomes between 101% and 250% of the current federal poverty level.

<u>INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL</u>	<u>PERCENTAGE DISCOUNT</u>
0 - 100%	100%
101 - 133%	75%
134 - 166%	50%
167 - 250%	25%

Catastrophic Charity. The hospital may write off as charity care amounts for patients with family income in excess of 250% of the federal poverty level when circumstances indicate severe financial hardship or personal loss.

The responsible party's financial obligation which remains after the application of any sliding fee schedule is payable in monthly installments over a reasonable period of time, without interest or late fees, as negotiated between the hospital and the responsible party. The responsible party's account will not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account, and there is no satisfactory contact with the patient.

Valley General Hospital shall not require a disclosure of resources from charity care applicants whose income is less than 100% of the current Federal Poverty Level but may require a disclosure of resources from charity care applicants whose income is at or above 101% of the current Federal poverty Level.

PROCESS FOR ELIGIBILITY DETERMINATION

A. Initial Determination:

1. The hospital uses an application process for determining eligibility for charity care. Requests to provide charity care will be accepted from sources such as physicians, community or religious groups, social services, financial services personnel, and the patient.
2. During the patient registration process, or at any time prior to the final payment of the bill and after the patient has been notified of the existence and availability of charity care, the hospital will make an initial determination of eligibility based on verbal or written application for charity care.
3. Pending final eligibility determination, the hospital will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with the hospital's efforts to reach a final determination of sponsorship status.

4. If the hospital becomes aware of factors which might qualify the patient for charity care under this policy it will advise the patient of this potential and make an initial determination that such account is to be treated as charity care.

B. Final Determination:

1. Prima Facie Write-Offs. In the event that the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital can establish that the applicant's income is clearly within the range of eligibility, the hospital will grant charity care based solely on this initial determination. In these cases, the hospital is not required to complete full verification or documentation (In accordance with WAC 246-453-030 (3)).
 2. Charity care forms, instructions, and written applications are furnished to patients when charity care is requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or the hospital, should be accompanied by documentation to verify income amounts indicated on the application form. Any one of the following documents are considered sufficient evidence upon which to base the final determination of charity care eligibility
 - a. A "W-2" withholding statement;
 - b. Pay stubs from all employment during the relevant time period;
 - c. An income tax return from the most recently filed calendar year;
 - d. Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
 - e. Forms approving or denying unemployment compensation or
 - f. Written statements from employers or DSHS employees.
 - g. Other relevant and timely charity determinations from other hospitals or a completed and approved Access Care Application from Medalia Medical Group. (May be applied to Valley General Hospital criteria and sliding scale.)
 3. During the initial request period, the patient and the hospital may pursue other sources of funding including Medical Assistance and Medicare. The Hospital may not require that a patient applying for a determination of indigent status seek bank or other loan source funding.
 4. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.
 5. In the event that the responsible party is not able to provide any of the documentation described above, the hospital will rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person (WAC 246-453-030 (4)).
- C. The hospital will allow a patient to apply for charity care at any point from preadmission to final payment of the bill, recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in a need for charity services. If the change in financial status is temporary, the hospital may choose to suspend payments temporarily rather than initiate charity care.
- D. Time frame for final determination and appeals
1. Each charity care applicant who has been initially determined eligible for charity care is provided with at least thirty (30) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her charity care application prior to receiving a final determination of sponsorship status.
 2. The hospital will notify the applicant of its final determination within fourteen(14) days of receipt of all application and documentation material.

3. The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Business Services Manager within thirty(30) days of receipt of notification.
4. The timing of reaching a final determination of charity care status will have no bearing on the identification of charity care deductions from revenue as distinct from bad debts, in accordance with WAC246-453-020 (10).
- E. If the patient has paid some or all of the bill for medical services and is later found to have been eligible for charity care at the time services were provided, he/she will be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within thirty(30) days of receiving the charity care designation.
- F. Adequate notice of denial:
 1. When a patient's application for charity care is denied, the patient will receive a written notice of denial which includes:
 - a. The reason or reasons for the denial and the rules to support the hospital's decision;
 - b. The date of the decision; and
 - c. Instructions for appeal or reconsideration.
 2. When the applicant does not provide requested information and there is not enough information available for the hospital to determine eligibility, the denial notice also includes:
 - a. A description of the information that was requested and not provided, including the date the information was requested;
 - b. A statement that eligibility for charity care cannot be established based on information available to the hospital; and
 - c. That eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.
 3. The Director of Business Services and/or Chief Financial Officer will review all appeals. If this review affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

DOCUMENTATION AND RECORDS

- A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form
- B. Documents pertaining to charity care shall be retained for five (5) years.

Attachments for Policy

Joint Commission
HIPAA
Regulatory
Compliance Monitoring
Process Cycle Information
Reference